

Process Safety Forum

Learning Brief #1 – Issued on 24 July 2012

OECD Guidance: Corporate Governance for Process Safety

This note introduces new guidance on process safety leadership, produced by the Organisation for Economic Co-operation and Development (OECD), and aimed at senior leaders in companies with the potential for major incidents if risks are not managed effectively.

OECD is an Intergovernmental organisation in which representatives of 34 industrialised countries in North and South America, Europe and the Asia and Pacific region, as well as the European Commission, meet to co-ordinate and harmonise policies, discuss issues of mutual concern, and work together to respond to international problems. The OECD has 200 specialised committees and working groups composed of member country delegates. The Environment, Health and Safety Division publishes free-of-charge documents in ten different series. In June 2012 its Working Group on Chemical Accidents published new guidance on Corporate Governance for Process Safety.

This publication is a result of a collaborative effort – under the supervision of the OECD Steering Group on Corporate Leadership – involving a large number of experts from many countries and organisations, in both the public and private sector. Based on the collective experience of this diverse group of international experts, *Corporate Governance for Process Safety – Guidance for Senior Leaders in High Hazard Industries* seeks to highlight best practice in leadership of process safety, and to promote its adoption worldwide.

The guidance addresses the business case for process safety, the essential elements necessary to lead and manage it, and a self-assessment tool. Process safety best practice is approached via the following five elements:

- *Leadership and culture*
- *Risk awareness*
- *Information*
- *Competence*
- *Action*



The self-assessment tool aims to show how well an organisation is approaching the corporate governance of process safety. The questions, which are intended to be answered by senior leaders, are simple in nature with the richness coming from the debate that they should generate within boardrooms and other senior forums.

Further details can be found at <http://www.oecd.org>. The guidance is available to download at the following link: <http://www.oecd.org/dataoecd/45/25/49865614.pdf>. A transcript of a speech given by Judith Hackitt CBE, Chair of the UK's Health and Safety Executive to the OECD *Corporate Governance for Process Safety* conference, which took place at the OECD headquarters in Paris on 14-15 June 2012, titled: 'Why Corporate Governance and Why Now?', is available to view at: <http://www.hse.gov.uk/aboutus/speeches/transcripts/hackitt140612.htm>.

The Process Safety Forum has been set up to provide an industry association platform whereby initiatives, best practice, lessons from incidents and process safety strategy can be distilled and shared across sectors, to influence our stakeholders (including the Regulators), and to drive the process safety management agenda. The Process Safety Forum consists of representatives from UKPIA, TSA, CIA, OGUK, CBA, RSSB, ENA, ECIA, UKLPG and NIA. For further details contact: PSF.Secretary@gmail.com.